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Senate Republican Caucus Chair

Committees: Financial Institutions, Housing and Insurance; Health and Long-Term Care; Ways and Means; Rules

March 6, 2009

Dear Friends,

This was a transition week for the Legislature as we moved from voting on bills in the various Senate committees to the full Senate voting on bills that are before the body. We will continue voting on Senate bills until next Thursday, March 12, when all Senate and House bills must be voted on in their house of origin. After March 12 we will move back into committee hearings where we will consider bills that were passed in the opposite chamber.

As of Tuesday, 1,153 bills have been introduced in the Senate and 1,338 in the House of Representatives. That has made for a busy session so far, although we have yet to address the most important issue before the Legislature this year – balancing the state budget. We are hearing it may be another several weeks before we see details of a budget plan.

The Senate will be working on Saturday, March 7th.

Property tax annual valuation bill passes Senate

On Thursday the Senate passed <u>Substitute Senate Bill 5368</u>, a bill that would require annual revaluations of property for tax purposes. Property tax bills that create sticker shock every few years continue to be one of the primary concerns for people across the 12th District, especially the Chelan area. Having property valued every year would even out property tax bills and prevent homeowners from paying higher taxes for up to four years on property values that were higher in a better market but have since dropped. The bill also continues a \$5 fee on real estate transactions (set to expire in 2010) until 2013. Money from the fee is used for a grant program to help counties convert to an annual reassessment schedule.

SSB 5368 is nearly identical to one I sponsored previously; this year I signed on as the second sponsor on SSB 5368, a bill prime-sponsored by the Senate Ways and Means Committee chairwoman. The bill now goes to the House for consideration.

Legislation update

Of the 17 bills I proposed this year, 14 had committee hearings and seven were passed by their assigned committees. Two have unanimously passed in the Senate and are now before the House of Representatives:

• **Disclosing vehicle damage**. <u>Substitute Senate Bill 5388</u> would require auto dealers to disclose damage when selling a car, including to another dealer. SSB 5388 passed Thursday and is now before the House Commerce and Labor Committee. This bill has been scheduled for a hearing on March 13.

• **Bill to aid young drivers.** Substitute Senate Bill 5469 would ensure, for drivers with an intermediate driver's license, that being in an accident would no longer be grounds for denying lifting the license restrictions if there is another party to the accident and the other party was cited in connection with the accident. The bill is now before the House Transportation Committee. It passed Monday and is now before the House Transportation Committee.

Several more bills are awaiting votes by the full Senate, including:

- **Program for chronically ill kids.** Senate Bill 5582 would allow the Washington State Patrol to partner with local law enforcement agencies and hospitals to name ill children "chief for a day."
- **Property tax current use program.** By law property removed from its current use is subject to seven years' back taxes, interest at 12 percent a year on those taxes and a 20 percent penalty if two years' notice is not provided prior to removal. <u>Substitute Senate Bill 5424</u> would lower the interest rate and remove the penalty if the property is removed after 10 years in the program.
- **Keeping recreational opportunities available.** <u>Substitute Senate Bill 5422</u> would address a challenge that the Chelan County Public Utility District faces in keeping the Chelan Gorge area, which runs between the Chelan Dam and the Columbia River, open to kayakers. The bill would help the PUD meet the requirements put forward by the Federal Energy Regulatory Commission (FERC) and provide it with liability protection for the use of its land and the release of water for kayaking.
- **Protecting recreational fishing opportunities.** Substitute Senate Bill 5421 would create the Columbia River Recreational Salmon and Steelhead Pilot Stamp Program. Funds from the stamp would be used to create additional salmon and steelhead fishing opportunities in the Columbia River and its tributaries. This 4-year pilot program would take effect in 2010; the Legislature would receive a recommendation in 2014 on whether the program should be continued. Authority for the program would expire in 2016 unless the Legislature extends the program or makes it permanent.

Key bills which won Senate approval this week and are now before the House of Representatives for consideration:

- Bill would expand tuition waivers to stepchildren of deceased or totally disabled veterans In 2007, the Legislature passed a measure granting tuition waivers at state colleges and universities for the spouses and biological and adopted children of members of the Armed Forces and Washington National Guard who died or became permanently disabled as a result of their service or who are missing in action or prisoners of war. Senate Bill 5720 corrects an oversight in the original bill and extends these waivers to a stepchild.
- Bills would place child returning to foster care with "bonding family" if possible and ensure parental notification of permanency plans are taken seriously

 If a child must be returned to the foster system, Substitute Senate Bill 5431 would direct the Department

of Social and Health Services to return the child to the original foster family, if possible. This bill would require the state to first find a relative or if that's impossible, return the child to the original foster family where bonds are already formed. <u>Substitute Senate Bill 5510</u> would ensure that notices sent to a parent with a child in foster care emphasize the parent's obligation to participate in required services and programs to regain custody.

• Making energy more affordable

Senate Bill 5280 would recognize excess energy conservation as an eligible renewable resource to meet targets set under the state Energy Independent Act (Initiative 937). Washington is the only western state with both a renewable energy standard and an energy conservation standard. Failure to meet these standards is subject to a fine while striving to meet these standards would likely drive up the cost for families to heat their homes. If utilities can count conservation against their renewable energy standard, they can reduce the cost impacts on customers of meeting the renewable energy standard.

• Bill would allow more state universities to offer engineering degrees

Currently, only WSU and UW may offer courses in civil engineering, mechanical engineering and chemical engineering. Only the UW may offer courses in aeronautic and astronautic engineering. Substitute Senate Bill 5276 would allow all of Washington's universities to offer these engineering degrees. Eastern Washington University is ready to make this change within available funds and with available facilities.

• Bill aims to protect public funds when a bank fails

The Public Deposit Protection Commission was established in 1969 to protect all state and local government deposits. It was never tested until Washington Mutual collapsed in late 2008 and it was discovered there was not enough in the protection fund to cover public deposits. The burden was spread to other institutions. Substitute House Bill 2061 makes necessary changes to ensure the protection fund has adequate resources and limits the exposure of other financial institutions if there is another failure. This bill passed the House and Senate, and Gov. Gregoire is signing it today.

Transportation bills move forward

On Wednesday the Senate voted on two major transportation-related bills. Both are now before the House of Representatives for consideration.

- **Federal stimulus funds.** Substitute House Bill 1978 authorizes the state to spend up to \$341.4 million in funding provided through the federal American Recovery and Reinvestment Act that became law on February 17. The money will fund road projects in various parts of the state, including funding for improvements to Interstate 90 at Snoqualmie Pass. It is estimated that 5,000 private sector jobs will be created for Washington citizens.
- Alaskan Way Viaduct plan. Substitute Senate Bill 5768 authorizes construction of a deep bore tunnel to replace the aging Alaskan Way Viaduct along the waterfront in downtown Seattle. The bill limits state funding to \$2.4 billion and requires at least \$400 million in tolls. This will free up monies that can be spent on constructions projects elsewhere in the state. The total cost of the project is estimated at more than \$4 billion.

Bill to put future budgets on more solid footing moves ahead

Another good bill that is still moving through the legislative process is <u>Senate Joint Resolution 8209</u>. The bill, which I am co-sponsoring, would require that "extraordinary" state revenue – defined as revenue collected in excess of 133 percent of the state's 10-year revenue growth average – be transferred to the state's rainy day reserve fund. Because it is a constitutional amendment, this measure would also need to be approved by voters before it goes into effect.

In closing...

Thank you, as always, for your interest in what the Legislature is doing in Olympia. If there is anything my office staff or I can do for you, please let me know. I also hope you will stop by if you are visiting the Capitol. I always enjoy seeing friends from home.

All the best,



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